This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 ASUNCION 000807

STATE FOR WHA A/S NORIEGA, PDAS DERHAM, DAS JEWELL; WHA/PD (GOULD); R/PPR (WHITAKER) STATE ALSO PASS TO USAID ADMINISTRATOR NATSIOS; LAC/AA FRANCO NSC FOR MIKE DEMPSEY, TOM SHANNON

E.O. 12958: N/A TAGS: <u>PGOV</u> <u>PREL KPAO</u> <u>PA</u>

SUBJECT: Paraguayan Media Focuses on Chavez Barbs at US and Venezuelan Oil Deal

11. SUMMARY: News coverage of the 06/20 speeches of Venezuelan President Hugo Chavez at the Paraguayan Congress and the National University focused on comments attacking the United States and Chavez' interpretation of the benefits of an anticipated Venezuelan/Paraguayan oil deal. Coverage in newspapers was extensive and TV covered the speeches, at least in part, live, as did news radio channels. END SUMMARY.

U.S. BASHING

- 12. In his 6/20 visit to the Paraguayan Congress, Chavez spoke for about three hours in which he insisted that Latin American countries should break up with "imperialist domination," especially with the U.S. and build a new model of development based on national projects where the priority, among other things, is the recuperation of the natural energy resources which are in the hands of multinational companies. Chavez criticized heavily President Bush and referred to him as "Mister Danger" -accusing him of being a danger to humanity.
- 13. In this speech, he also referred to 9/11 -- describing a book written by "a man" who recounts his experience after he visited the place where the Twin Towers were destroyed and how he became aware of what he had done in his life. Chavez said this man called himself an "economic assassin" and realized that the planes that crashed were a result of the "American century." Chavez said that, in a way, this is a Chavez said that, in a way, this is a response, a response he does not agree with, but somehow a response to Hiroshima, Nagasaki, Afghanistan, Iraq, Fallujah, Panama, Dominican Republic, Guantanamo, etc.
- In separate comments at the end of the Mercosur Summit, Chavez was quoted by several newspapers as saying "Whoever wants to see hell, should take the path recommended by Washington," apparently in response to positive comments by Colombian President Uribe.
- In "La Nacion," Paraguay's third-largest and businessoriented daily, Chavez was quoted as saying that "Capitalism is the devil itself and its paths lead to hell." The paper noted negative remarks about U.S. economic policy and the use of nicknames referring to President Bush were cheered by the audience during the speeches at the Congress and University. (Note: The audience at the Congress included many guests from outside Congress -- including the Cuban Ambassador to Paraguay and members of campesino groups.) the university, Chavez said that, like him, Castro feels young because he continues believing in the revolution and in fighting against the system imposed from the "empire," as he called the U.S.

Oil for ???

16. Major attention was also paid in the media to Chavez comments about the benefits of a deal for inexpensive oil to Paraguay via a special credit granted by his government to Paraguay.

"ABC Color," Paraguay's largest and most influential 17. "ABC Color," Paraguay's largest and most influential daily, under the title "The trickery of the Venezuelan President" in its lead editorial on 06/21 said: "...This is simple sophistry from Chavez ... If he really wanted to help Paraguay, Chavez would have authorized blank credit to advance education and public health -- not for the purchase of oil that the state monopoly, Petropar, commercializes in the internal market.... The silent majority of the population, honest and hardworking people who love their country and want to see an end to backwardness, poverty and defeat, as well as the politicians who still have a minimum of patriotism, should be alert and firmly reject this trickery of Hugo Chavez, who only seeks to acquire influence over Paraguayan politics and economy through our dependence on financed oil.

- $\underline{\ }$ 8. In media reports, Chavez also announced that cable channel TEVESUR will launch in August as a Latin American alternative to CNN.
- 19. A "chavista" show in a bar downtown is the title of an article run by "ABC Color." Chavez entered a downtown bar with a group of people. A photographer from ABC snapped a photo of Chavez. One of the Venezuelan president's security guards grabbed the photographer's press credential and demanded the photo chip. The reporter took refuge with other people from the newspaper nearby and eventually the guard returned the credential when they had to admit that Chavez was in a public place and it was not an official act restricted to media photo ops only.

COMMENT

110. Chavez' knack for spicy material for the media guarantees him coverage in sensation-loving Paraguayan media. At the same time, the media recognize his tendencies, referring to him as 'noisy' in the gossip columns and in the one editorial published to date concerning his remarks, as full of trickery. END COMMENT. JOHNSONKEANE